

the CHOICE *is yours*

Your PERSI Choice 401(k) Plan



PERSI CHOICE 401(K) PLAN

The Choice 401(k) Plan is a defined contribution plan designed to supplement your PERSI Base Plan benefits. If you decide to participate, you decide how much to defer from your paycheck through pretax deductions as well as how you would like to receive the money when you retire.

What is PERSI?

The Public Employee Retirement System of Idaho (PERSI) is a defined benefit retirement plan established to provide secure, long-term retirement benefits for employees who choose careers in public service. PERSI members include active public employees and retirees from more than 725 employers across the state of Idaho.

Eligibility for the Choice Plan

If you are an active member of the PERSI Base (Defined Benefit) Plan, you may participate in the Choice 401(k) Plan... In fact, an account has already been set up in your name; all you need to do is begin contributing!

When can I start contributing (deferring)?

As a PERSI member, a Choice 401(k) Plan account is automatically set up for you once you become eligible to participate and your employer notifies PERSI. Once your Choice 401(k) Plan account is active, you can begin making contributions. To get started, click here for the deferral form: <http://www.persi.idaho.gov/forms/RS801.pdf>.

How much can I contribute?

To participate in the Choice 401(k) Plan, you must contribute at least \$130 annually (\$2.50 per week). For 2011, you may contribute up to \$16,500 to the Choice 401(k) Plan, which is the limit determined by the IRS. If you are at least age 50 during 2011, you may also contribute an additional \$5,500 as a "catch up" contribution, for a total contribution of \$22,000. These maximum contribution amounts are determined by the IRS and are subject to change in future years.

Rollovers into the Choice Plan

If you have money in a 401(a), 401(k), 403(b), 457 (governmental), or Pre-tax IRA you can rollover those funds to your Choice 401(k) Plan account. Contributions made to any plan on an *after tax* basis cannot be rolled into the Choice 401(k) Plan.

Choose how to invest your Choice 401(k) Plan contributions

When you make voluntary contributions to your Choice 401(k) Plan account, you can also direct how those funds are invested. You can choose from several investment fund options within the Choice 401(k) Plan to create a diversified portfolio of fund options including a mix of equity, fixed income, balanced funds, as well as the PERSI Total Return Fund (TRF). If you decide not to choose investment options or would like to have your funds invested in the TRF, you do not have to do anything. Your funds will automatically be invested in the TRF for you.

The Total Return Fund

The Total Return Fund is one of the Choice 401(k) Plan investment options. This Fund is invested the same way as the Base Plan's Trust assets, making it a diversified fund. The Total Return Fund is the default option for the Choice 401(k) Plan, meaning any contributions made to your account will be invested in the Total Return Fund unless you specifically elect other fund options.

Vesting in my Choice 401(k) Plan account

You are 100% vested in (fully own) the money within your choice 401(k) Plan, including both contributions and earnings.



Use this form to start, change, or stop payroll deductions for tax-deferred contributions to the PERSI Choice 401(k) Plan.

Instructions

- 1 - Read about the form below.
- 2 - Complete the Authorization Information Section.
- 3 - Read and Sign the Authorization and Acknowledgment.
- 4 - Give the form to your employer's Human Resources or Payroll Department.

Percentages must be whole numbers from 1% to 100%. Because of additional mandatory (FICA and PERSI) and voluntary payroll deductions, you may not actually be able to defer 100% of your gross wages.

Not all employers have payroll systems capable of deducting fixed amount contributions. Check with your employer before selecting the fixed amount deduction method.

As of January 1, 2011, the annual contribution limit for 401(k) plans is \$16,500 (\$22,000 if you are at least 50 years of age in 2011). If you contribute to both a 457 and 401(k) plan, you may contribute up to \$16,500 (\$22,000 if age 50) into **each** plan, for a total of \$33,000 (\$44,00 if age 50). If you contribute to both a 403(b) and a 401(k) plan, the **combined** annual contribution limit is \$16,500 (\$22,000 if age 50).

PERSI has contracted ACS HR Solutions (ACS) to provide record keeping and trust administration services on behalf of the PERSI Choice 401(k) Plan. In this capacity, ACS establishes and maintains an account for each active (and eligible) member and provides customer service to Choice 401(k) Plan participants.

To change the investment allocation of your future contributions, or redistribute your existing funds to a different investment allocation, go to the PERSI Choice 401(k) Plan web site at: www.persi.idaho.gov/choice.htm and select *My Choice 401(k) Plan Account* or call ACS customer service at **1-866-437-3774**.

If you stop your contributions, you can restart them any time by submitting a new *Choice 401(k) Plan Deferral Election form* to your employer.

CHOICE 401(K) PLAN DEFERRAL ELECTION

Print out this form or click here for online form:
<http://www.persi.idaho.gov/forms/RS801.pdf>

Name

Social Security Number

Choose One Option:

- ☐ Begin Choice 401(k) Plan deductions.
- ☐ Change deduction method or amount.
- ☐ Stop Choice 401(k) Plan deductions.

Effective Pay Date: _____

Choose one deduction method and indicate % or \$ amount: _____

- ☐ This percentage of my gross wages. _____%
- ☐ This fixed amount each pay period. \$ _____

Fixed amount requires approval by your employer.

Participation Authorization and Acknowledgment

I authorize my employer to reduce my wages by the amount indicated above, for deposit into the PERSI Choice 401(k) Plan account established for my benefit. This authorization applies to future contributions only and is effective beginning the pay date indicated above. It will remain effective until I stop or change it by submitting a new Deferral Election Form. I understand that my contribution will be invested in the PERSI Total Return Fund unless I authorize a different investment allocation through ACS telephone customer service or the Choice 401(k) Plan website. I understand that distributions from the PERSI Choice 401(k) Plan are only allowed in the event of termination of employment, disability, retirement, death, or financial hardship, and that tax penalties may apply to distributions taken before 59½. Financial hardship distributions are allowed only under certain IRS-approved circumstances.

Signature: _____

Date: _____

Give completed form to your employer.

GET ALL OF YOUR INFORMATION HERE...

www.persi.idaho.gov

Click on the [myPERSI](#) link in the top right hand corner of the page.

Log on to [myPERSI](#) using your email address and password you created when you registered. If you are new to [myPERSI](#), click on the [Register Now](#) link to go through the registration process. You will be sent an email with your new password within approximately 30 minutes. Once you log on, you can access your PERSI Base Plan and Choice Plan account information.

OR, CONTACT US – WE ARE HERE TO HELP!

ACS HR Solutions - Record Keeper

1-866-437-3774

The automated toll-free system is always available.

Choice 401(k) Plan customer service representatives are available from 7 a.m. to 6 p.m. MST, Monday through Friday

PERSI

1-800-451-8228 or 334-3365

PERSI Representatives are available from 7:30 a.m. to 5:30 p.m. MST, Monday through Friday

You may also take the 401(k) plan online tour at www.persi.idaho.gov/choice.

